

---

CHUKA



UNIVERSITY

---

**UNIVERSITY EXAMINATIONS**

**EXAMINATION FOR THE AWARD DEGREE OF  
BACHELOR OF**

**BCOM 341: RISK MANAGEMENT**

**STREAMS: BCOM Y3**

**TIME: 2 HOURS**

**DAY/DATE: THURSDAY 9/04/2020**

**8.30 A.M - 10.30 A.M.**

---

**INSTRUCTIONS**

- Answer Question One and any other Two Questions.

- Q.1 (a) Explain the basic rules of Risk Management. [3 Marks]
- (b) Outline the risk management objectives as prefunded by Mehr and hedge in 1974. [10 Marks]
- (c) Explain Henrich triangle in relation to frequency and severity of loss as a guiding theory in risk management decisions. [10 Marks]
- (d) What is utility of risk. [2 Marks]
- (e) Explain the role of risk financing. [5 Marks]
- Q.2. (a) Explain the functions of risk management department of large processing company. [7 Marks]
- (b) Prepare a hypothetical risk management report for a company in service industry. [10 Marks]

Q.3 (a) Discuss risk management process. [7 Marks]

(b) Explain the physical inspection method of risk identification. [7 Marks]

(c) Explain the fire life cycle and its use in fire risk control. [6 Marks]

Q.4 (a) Explain the factors to consider in dealing with terrorism risk control. [10 Marks]

(b) Discuss risk control prior, during and after the loss. [10 Marks]

.....